



Patrick W. Henning, Director  
March 20, 2008



Arnold Schwarzenegger  
Governor

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Ms. Elaine Craig, Executive Director  
Madera County Department of Education  
Employment Training Office  
209 East 7<sup>th</sup> Street  
Madera, CA 93638

Dear Ms. Craig:

WORKFORCE INVESTMENT ACT  
85-PERCENT PROGRAM REVIEW  
FINAL MONITORING REPORT  
PROGRAM YEAR 2007-08

This is to inform you of the results of our review for Program Year (PY) 2007-08 of the Madera County Workforce Development Office's (MCWDO) Workforce Investment Act (WIA) 85-Percent grant program operations. We focused this review on the following areas: Board composition, One-Stop delivery system, program administration, WIA activities, participant eligibility, local program monitoring of subrecipients, grievance and complaint system, and management information system/reporting.

This review was conducted by Karen Fuller-Ware from November 5, 2007 through November 9, 2007.

Our review was conducted under the authority of Sections 667.400 (a) and (c) and 667.410 of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by MCWDO with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding program operations for PY 2007-08.

We collected the information for this report through interviews with MCWDO representatives, service provider staff, and WIA participants. In addition, this report includes the results of our review of selected case files, MCWDO's response to Section I and II of the Program On-Site Monitoring Guide, and a review of applicable policies and procedures for PY 2007-08.

As requested in the March 12, 2008 email from Ms. Tracie Scott-Contreras of your staff we are releasing the draft report as a final report. Consequently, finding 1 remains unresolved and is assigned Corrective Action Tracking System (CATS) number 80065.

## **BACKGROUND**

The MCWDO was awarded WIA funds to administer a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. For PY 2007-08, MCWDO was allocated: \$698,251 to serve 296 adult participants; \$712,955 to serve 226 youth participants; and \$504,914 to serve 123 dislocated worker participants.

For the quarter ending September 30, 2007, MCWDO reported the following expenditures for its WIA programs: \$712,528 for adult participants; \$55,008 for youth participants; and \$89,298 for dislocated worker participants. In addition, MCWDO reported the following enrollments: 535 adult participants; 279 youth participants; and 131 dislocated worker participants. We reviewed case files for 35 of the 945 participants enrolled in the WIA program as of November 5, 2007.

## **PROGRAM REVIEW RESULTS**

While we conclude that, overall, MCWDO is meeting applicable WIA requirements concerning grant program administration, we noted an instance of noncompliance in the area of 90-day gap in service. The finding that we identified in this area is specified below.

### **FINDING 1**

#### **Requirement:**

WIA Section 185(c)(2) states, in part, that each local board and recipient receiving funds shall maintain comparable management information systems, designed to facilitate the uniform compilation and analysis of programmatic, participant and financial data necessary for monitoring and evaluating purposes.

In addition, WIA Section 185(d)(1)(B) states, in part, that information to be included in reports shall include information regarding the programs and activities in which participants are enrolled, and the length of time that participants are engaged in such programs and activities.

The Department of Labor, Training and Employment Guidance Letter (TEGL) 17-05 states, in part, that the term program exit means a participant has not received a service funded by the program or funded by a partner program for 90 consecutive calendar days, and is not scheduled for future services. The exit date is the last date of service.

Additionally, TEGL 17-05 states, in part, that once a participant has not received any WIA funded or partner services for 90 days (except follow-up services, and there is no planned gap in service or the planned gap in service is for reasons other than those related to health/medical condition and delay in training), that participants must be exited from WIA. The exit date is the last date of WIA funded or partner received services.

**Observation:** We found 12 of 35 case files included gaps in service that ranged between 93 and 454 days. Although MCWDO attempted to contact these participants through the mail, e-mail, and telephone messages, no services were provided to these twelve participants. The MCWDO should exit these participants.

**Recommendation:** We recommended that MCWDO provide the Compliance Review Division with a corrective action plan stating how it will ensure, in the future, that no more than 90 days will lapse between services provided to WIA participants, or exit the participants as of the last date of receipt of service and ensure that the exit information is recorded in the JTA system.

Additionally, we recommended that the MCWDO provide CRD with documentation to demonstrate that services are being provided to the eleven remaining participants noted above, or exit them from the WIA program. Further, we recommended that MCWDO review all current case files and take similar action.

**MCWDO Response:** The MCWDO did not respond to the draft report.

**State Conclusion:** Because MCWDO did not respond to our draft report, we cannot resolve this issue. We will consider resolving this issue when MCWDO submits to CRD the documentation requested above. Until then, this issue remains open and is assigned CATS number 80065.

Ms. Elaine Craig

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March 20, 2008

We provide you up to 20 working days after receipt of this report to submit your response to the Compliance Review Division. Because we faxed a copy of this report to your office on the date indicated above, we request your response no later than April 18, 2008. Please submit your response to the following address:

Compliance Monitoring Section  
Compliance Review Division  
722 Capitol Mall, MIC 22M  
P.O. Box 826880  
Sacramento, CA 94280-0001

In addition to mailing your response, you may also FAX it to the Compliance Monitoring Section at (916) 654-6096.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is MCWDO's responsibility to ensure that its systems, programs, and related activities comply with the WIA grant program, Federal and State regulations, and applicable State directives. Therefore, any deficiencies identified in subsequent reviews, such as an audit, would remain MCWDO's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Mr. Jim Tremblay at (916) 654-7825 or Ms. Karen Fuller-Ware at (916) 653-4174.

Sincerely,



JESSIE MAR, Chief  
Compliance Monitoring Section  
Compliance Review Division

cc: Shelly Green, MIC 45  
Jose Luis Marquez, MIC 50  
Don Migge, MIC 50,  
Roger Schmitt, MIC 50